



## **Housing for the Homeless Demonstration Set-Aside Q & A**

Updated 03-17-2016

**All NEW Questions are in RED**

**IFA Answers to NEW Questions are in BLUE**

### **RFP**

Does IFA have a definition of what they would look for in order for the formerly homeless units to give preference to families; for instance, a number of people per bedroom or inclusion of a minor?

QAP Appendix 2-Glossary: Family means one or more individuals that may be domiciled with one or more Persons under age 18. A Family Project is not an Older Persons Project.

Under the Project Description Tab, must the developer select the deep rent skewing option under minimum set-asides, as well as the Serves Lowest Income box under Other Elections in order to receive the 15 points?

No, Deep Rent Skewing is not required to receive points under 2016 QAP Section 6.1.1.

Exhibit 15T Part 1 states: “The State Agency shall receive the request no later than December 7, 2015 and return it to IFA no later than January 7, 2016.” Are there different deadlines for this exhibit for the Housing for the Homeless Set-Aside application?

*The appropriate State Agency shall complete Exhibit 15T and return it to IFA within two weeks.*

Exhibit 15T Part 3 states:

List all IRS Form 8823’s (annual reports and/or on-site inspections) that were issued against each LIHTC property October 1, 2014 - October 15, 2015.

List all “Out-of-Compliance” issues that have been reported as uncorrected (regardless if the “Out-of-Compliance has been subsequently corrected) to the IRS for each LIHTC property between October 1, 2012 - October 15, 2015.

List all State Issued Notice of Noncompliance issues (which addresses issues that are not in the compliance with the LURA) that have been reported between October 1, 2012 – October 15, 2015.

Are there different deadlines for this exhibit for the Housing for the Homeless Set-Aside application?

*List all IRS Form 8823’s (annual reports and/or on-site inspections) that were issued against each LIHTC property in the past calendar year.*

*List all “Out-of-Compliance” issues that have been reported as uncorrected (regardless if the “Out-of-Compliance has been subsequently corrected) to the IRS for each LIHTC property between in the past three calendar years.*

*List all State Issued Notice of Noncompliance issues (which addresses issues that are not in the compliance with the LURA) that have been reported in the past three calendar years.*



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Which level is acceptable to IFA in the Uniformat II format? In other words, which Uniformat II Level does IFA want?

*The level of detail for the items should be equal to a Level 2 estimate in Uniformat II.*

Is IFA approved to participate in the Section 811 PRA for this round?

*IFA did not apply for Section 811 PRA.*

On the supplementary scoring document, it asks for a plan to graduate tenants to non-set-aside units. Is the intent for this section to address graduating tenants to non-set-aside units within the property only, or could the plan also include other properties in the area?

*The intent is not the physical moving of a tenant to a different unit. Rather, the intent is for the property and service provider to establish a plan that makes clear when a tenant is no longer considered to be residing in a unit that satisfies the set-aside requirements. This could be when the household is considered stably housed and no longer in need of supportive services to remain stably housed.*

*The set-aside units are intended to float. Therefore, this question is about what will trigger the need for the property to fill another set-aside unit, even though that next set-aside unit is likely to be a different apartment.*

Will the exhibits for the regular 2016 round be revised for the set-aside round, or will the same ones be used?

*Applicants will use the same exhibits as the regular 2016 round in addition to the Exhibit 2HSA – Continuum of Care Review.*

When will the Housing for the Homeless Set-Aside online application become available?

*On or about March 11.*

Since Congress passed legislation making the 9% LIHTC permanent and that change went into effect January 1, 2016, will the allocation rate be in line with the new federal law or will the previously mandated 7.6% rate based on the floating rate still be in effect for this set aside.

*Since the 9% LIHTC rate is now in effect, IFA will allow the 2016 LIHTC Applications submitted under the Housing for the Homeless Demonstration Set-Aside to utilize the 9% tax credit rate.*

We have been asked to partner as a supportive services (case management) provider for a developer looking to build a tax credit property targeting to provide permanent supportive housing for persons experiencing homelessness. These services would be available to the designated 5 (of 48) units the developer is looking to create in our community. I am concerned that if we would choose to partner with this developer it would limit our organization's ability to refer and pay rent for remaining units through another program. Would that be true?



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*The required role of the service provider is to provide supportive services to persons placed in the designated units reserved for persons experiencing homelessness. The required role of the developer is to provide access to the affordable housing units reserved for such persons. The developer and the service provider are responsible for arranging the details of a long-term partnership. IFA intends to evaluate the capacity of each party to fulfill their respective roles. Any arrangement between the parties for supportive services or other types of assistance for households in the non-designated units in the project is beyond the scope of the set-aside rules. For other programs, agencies should consult the rules related to that program.*

For the Continuum of Care (CoC) Review, could you clarify the difference between a local CoC and a “HUD CoC”? Which is required to review and sign the CoC Review Form?

*The CoC Review Form must be from the official HUD-recognized CoC that covers the geographic area where the project is located. There are four official HUD CoCs that together cover all 99 counties in Iowa.*

What are the entities responsible for each applicable HUD Continuum of Care?

*Des Moines/Polk County Continuum of Care: Polk County Continuum of Care Board  
Sioux City/Dakota County/Woodbury County: Siouxland Coalition to End Homelessness  
Council Bluffs: Omaha/Council Bluffs: Metro Area Continuum of Care for the Homeless  
Iowa Balance of State CoC (all other 96 counties): Iowa Council on Homelessness*

For a project located in the Iowa Balance of State, what is the process and timeline to request review and approval from the Iowa Council on Homelessness?

*Applicants should contact the applicable CoC for meeting times and other information as needed. In a separate role from LIHTC program administration, the Iowa Finance Authority provides staff support to the Iowa Council on Homelessness. The next upcoming opportunity for review is the Executive Committee meeting scheduled for Friday, February 19, 2016. Interested parties may contact Amber Lewis at [amber.lewis@iowa.gov](mailto:amber.lewis@iowa.gov).*

Will IFA require that the unit mix for the formerly homeless households include each type? I.E. if there are 1, 2 & 3 bedroom units, at least one of each will house a homeless household.

*IFA shall require the project to offer all the bedroom types as homeless.*

Will the Owner/GP be required to meet the owner contribution in the regular QAP?

*Yes, a minimum required contribution of \$100 by the General Partner/managing member shall be included in the funding sources in the Application.*

Does the service provider need to provide services to the 10% of the units under the set-aside or for the entire project? We're getting responses for both so wanted to clarify.

*The Applicant shall enter into a written agreement with the qualified service provider to provide supportive services to persons experiencing homelessness who will reside in the Project. So the qualified service provider must agree to make supportive services available to the units*



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*committed to serve persons experiencing homelessness under this set-aside. The set-aside requires the Project to reserve ten percent (10%) of the total Project Units (rounded up to the next full Unit) or four Units, whichever is greater, to persons experiencing homelessness.*

For the Continuum of Care (CoC) review form, is it required that the CoC be a recognized HUD CoC that receives federal funding? Or can it be a local voluntary CoC that coordinates around homelessness but does not receive federal funding?

*For the purposes of the CoC review form, this should be from an official HUD-recognized CoC. There are four CoCs that together cover all of Iowa. Three are at the local level (Des Moines/Polk County, Sioux City/Dakota County/Woodbury County and Council Bluffs (with Omaha)). The fourth is the Balance of State CoC, which covers the remaining 96 counties. For projects located in the Balance of State CoC, local coordination is of course important as well, and can be demonstrated through the narrative questions.*

Given that the national housing trust fund retained funding, how would you like developers to underwrite those funds coming into a project? What restrictions would be put on them?

*This will be an ongoing dialogue with the Project that is awarded.*

I understand that no income will be underwritten for the set-aside units. Can developers still charge a nominal amount of rent to tenants (i.e. \$50)? It is our experience that having a rental contract where formerly homeless households pay even a small amount of rent establishes more buy-in and enhances success.

*Developers may charge a rent that is affordable to the tenants. The \$0 rent is for underwriting purposes only.*

### **Section 5 – Scoring**

Corrected statement:

As a threshold requirement upon submission, the Project shall obtain a score of at least 30 points under the criteria set forth in Appendix 2HSA - Housing for the Homeless Demonstration Set-Aside Supplemental Scoring.